

GEORGE MUNICIPALITY

PPPFA POLICY STATEMENTS GUIDING THE TENDER FORMAT/STRATEGY

The following table serves as guidance¹ in determining the tender format/strategy, which will form the conditions of tender and not the specifications and must be read with the George PPPFA Policy:

Table 1: check-list for determining tender format as per PPPFA Policy:

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
Goods			
Services:			
- Development services			
- Management services			
- Maintenance services			
COMMODITY			
Industry			
Commodity			
TERM			
Once off project			
Term project			
Indefinite delivery project (as and when needed)			
Per unit delivery (exact quantities not known)			
Other (specify)			

¹ This is a guideline document only to stimulate thinking and is not exhaustive. For each tender the relevant officials must consider the budget available, past trends and the supply market.

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
BUDGET			
Estimated value of project (per financial year if long term)			
Provide additional financial details, if applicable:			
PPPFA POLICY STATEMENTS:			
APPLICATION			
a. Apply to a certain geographical area, eg:			
1. Per Ward			
2. Per Municipal Area			
3. Inclusive of adjoining areas			
4. Per District			
5. Per Province			
6. Per Country			
7. International			
8. Other (specify)			
b. Apply to only a portion of tender, eg:			
1. Profit %			
2. Labour % (skilled, semi-skilled, un-skilled)			
3. Materials %			
4. Management %			
5. Maintenance %			
6. Training %			
7. Phases in project			
8. Other (specify)			

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
c. Apply for only a period?			
1. Full tender period with annual increase			
2. Full tender period with no increase			
3. Apply to 1 st , 2 nd and/or 3 rd year			
4. Apply for certain months			
5. Other (specify)			
DATABASE/ROSTER/ROTATION			
a. Does tender lend itself to work from an existing pre-approved database, eg:			
1. CIDBA			
2. PSIRA			
3. SAICA			
4. WCSDB			
5. Other (specify)			
b. Does tender lend itself to work from a newly created pre-approved database, eg:			
Identify for which service and specify details in 'tender condition' column:			
(i) Lawyers			
(ii) Auditors			
(iii) Accountants			
(iv) Vehicles & maintenance			
(v) IT			

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
(vi) Catering (vii) Printing (viii) Media (ix) Distribution (x) CIDBA nominated-subcontractors (xi) Consulting engineers (xii) Chemicals (xiii) Cleaning services (xiv) Security services (xv) Garden services (xvi) Valuers (xvii) Auctioneers (xviii) Strip & quote (xix) Other (specify)			
c. Database to be applied for roster and/or rotation mechanism, eg:			
1. All suppliers on database quote and cheapest is used			
2. All suppliers on database quote and cheapest is used and then moved to bottom of list			
3. Certain number asked to quote and then moved to bottom of list			
4. Certain number asked to quote and only successful bidder is moved to bottom of list			
5. Linked to a geographical portion for a period			

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
6. Agreed price-list and same value projects distributed between identified number of suppliers per period			
7. Agreed pricelist and projects distributed between suppliers as per capacity			
8. Other (specify)			
3. UNBUNDLING (Note: this does not mean a project is split into smaller parts, e.g one tender becomes three or more)			
a. One big tender is unbundled into commodities and different rules applied to each, eg:			
1. Transport portion			
2. Fuel portion			
3. Stationary portion			
4. Leasing/purchasing equipment			
5. Operational office location			
6. Operational/capital purchases			
7. Other (specify)			
b. One big tender is unbundled in geographic areas with primary contractor, eg:			
1. Teams			
2. Phases			
3. Deliverables			
4. Other (specify)			
c. Consortium/Joint Venture arrangement is required where primary contractor include smaller contractors in business venture and all			

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
share in profits ² - (indicate %)			
d. Other (specify)			
4. TARGETING			
Portion of tender must be applied to achieve identified targets in PPPFA, being: <ul style="list-style-type: none"> • Redressing skewed business ownership patterns along gender and racial lines (35%) • Improve market share of SMME's (35%) • Improve the local economic market (35%) • Employment of semi-& unskilled workers (60%) • Empowerment of registered indigents (35%) • Ensure equitable work distribution in George Municipal area. • Address identified socio - economic weakness areas i.e: <ul style="list-style-type: none"> ○ Single household mothers (10%) – if possible ○ Unemployed Youth (10%) – if possible • Other (specify) 			
5. PAYMENT			
a. How will payment for services/goods be structured, eg:			
1. Retention %			
2. Monthly			
3. Weekly			

² Only applicable if it makes business sense, i.e. dependent on value of tender, past trends and supply industry

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
4. Per delivery			
5. On completion			
6. In phases			
7. Penalties			
8. Variation orders (insert %)			
9. Other (specify)			
b. Invoice structure, eg:			
1. Progress reporting to be attached			
2. PPPFA reporting required			
3. Payment schedule to be agreed			
4. Other (specify)			
c. Wage payment structure			
d. Communication of payment process			
e. LED support required (discuss with LED)			
6. PERFORMANCE GUARANTEE/SECURITIES			
a. Is performance guarantees/securities as per PPPFA Policy relevant, eg:			
1. Larger than R 10 m = 10%			
2. Larger than R 5 m = 3%			
3. Less than R 5 m = 0%			
b. Retention % rather than security			
c. Guarantee on supplier assets rather than bank guarantee			
d. Other (specify)			

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
7. CONTRACT MANAGEMENT			
a. Is an additional contract necessary and if so, what will the terms be?			
b. Contract monitoring and reporting mechanism			
c. Employment contracts to be in place and how will it be monitored (to ensure minimum wages are paid and UIF, etc in place)			
d. LED support required (discuss with LED)			
e. Identified contract manager			
f. Identified contract administrator (if different than contract manager)			
g. Other (specify)			
8. SKILLS DEVELOPMENT			
a. Indicate applicability % linked to value and/or portion of tender			
b. Specify Type of training required, eg:			
1. Basic training			
2. Formal training			
3. Informal training			
4. Accredited training			
5. Certificate			
6. Diploma			
7. Degree			
8. Interns			
9. Students			
10. Learner ships			

GUIDELINE TO DETERMINE PPPFA FORMAT/STRATEGY			
ISSUE	Yes/No/NA	Motivate	Tender Condition/Rules
11. Pupil ships			
12. Bursaries			
13. Other (specify)			
c. If supplier is new 'entrant' to doing business with the municipality, who will introduce him/her in how the payment cycles work, how reporting and communication works and how to deal with disputes?			
CSI CONTRIBUTION			
Does this tender lend itself to CSI contributions, and if so specify whether it is:			
(1) Time – number of hours			
(2) Resources – type of resources			
(3) Financial to be paid into the MFMA section 12 fund - % value of tender (<i>refer to PPPFA Policy, Part 6.9</i>)			
Linkage to Grant-in-Aid Policy			
Summarise tender format/strategy:			

ADDITIONAL COMMENTS:

To be adopted by tender requester, relevant Director and relevant Portfolio Councillor or relevant section 80 Portfolio Committee as per PPPFA Policy, 2015 requirements